

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1926-02
Bill No.: Perfected HCS for HB 691
Subject: Gambling.
Type: Original
Date: April 20, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety, Missouri Gaming Commission** and the **Office of the State Courts Administrator** each assume the proposal would not fiscally impact their respective agencies.

In response to a previous version of this proposal, officials from the **Office of the State Public Defender** assumed the proposal would not fiscally impact their agency.

Officials from the **Office of Prosecution Services** assume the proposal will not have a significant direct fiscal impact on county prosecutors.

Officials from the **Lottery Commission (LOT)** state that the amusement machines will compete with the Lottery pulltab product. LOT assumes that 50% of Lottery-licensed pull tab retailer locations would lose 50% of lottery sales annually (\$6,825,000), which at a 20% profit loss equals \$1,365,000 less for education funding.

Oversight assumes this proposal allows a player to win something of value that does not exceed \$5 per play, except for cash, liquor, beer or tobacco products. Therefore, **Oversight** also

ASSUMPTION (continued)

assumes this proposal deals with devices that will not be in direct competition with lottery sales, and assumes that there will be minimal impact to the Missouri Lottery Commission.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

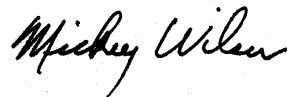
This proposal revises the definition of "gambling device" by excluding amusement devices that award only an immediate right of replay or a coupon credit that can be redeemed on the premises for something of value, not to exceed \$5 per play, except for cash, intoxicating beer or liquor, or tobacco products. The proposal specifies that gambling does include the playing of slot machines at truck stops.

The proposal also states that it shall be lawful for any person to sell or purchase or otherwise acquire any slot machine for operation at the residence of the owner, if the slot machine is not operated for gambling purposes. Such ownership or operation of a slot machine shall not be the basis for prosecution for any gambling offense under chapter 572.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri Gaming Commission
Office of the State Courts Administrator
Office of Prosecution Services
Office of the State Public Defender
Missouri Lottery Commission

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
April 20, 2005